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C O N F I D E N T I A L JERUSALEM 004713

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E.O. 12958: DECL: 11/01/2016
TAGS: [ECPS](#) [EFIN](#) [PGOV](#) [PREL](#) [KWBG](#)
SUBJECT: COMPANY SHORT-LISTED FOR RADIO TRUNKING BID IN
WEST BANK/GAZA WANTS TO USE MOTOROLA EQUIPMENT; OFAC
LICENSE MAY BE REQUIRED

REF: JERUSALEM 4239

Classified By: Consul General Jake Walles, Reasons 1.4 (b) and (d).

[11.](#) (C) The Palestinian Authority Ministry of Telecommunications and Information Technology is completing its selection of the winner for a radio trunking provider in the West Bank/Gaza, one using push-to-talk radio technology. Former PA Telecommunications Minister Sabri Seidam told EconChief that the current PA Telecommunications Minister Jamal al-Koudari had earlier confirmed to him that Jordanian company Xpress is at the top of the short-list, if it can convince the Israeli government (GOI) to allow it to use the 800 megahertz (MHz) frequency that its preferred Motorola iDEN technology requires. If Xpress cannot get the GOI to concur by November 23, then the PA Telecommunications Ministry will select the next company on the short-list. That company plans to use technology that does not require the GOI to allocate a new frequency since it will use the 400 MHz frequency which the PA already has permission to use.

[12.](#) (C) While Motorola has filed an Advocacy Request with the Commerce Department for USG advocacy on its behalf with the Israeli government for the frequency allocation, Motorola's sale of equipment to Xpress may require an OFAC license. The Motorola equipment will be used for a business that Xpress will operate, if it is granted the frequency by the GOI and once it pays the PA Treasury approximately USD 3.1 million in licensing fees, according to Seidam.

[13.](#) (C) Chief PLO Negotiator Sa'eb Erekat passed to the Consul General November 1 a copy of his October 29 letter to Israeli Coordinator for Government Activities in the Territories (COGAT) General Mishlev that requests the allocation of the 806-811 MHz/851-856 MHz paired frequencies. The letter references Article 36 of the Interim Agreement (Annex III, Protocol on Civil Affairs) that "the future needs for frequencies shall be agreed upon by the two sides. To that end, the Palestinian side shall present its requirements through the JTC (Joint Technical Committee) which must fulfill those requirements within a period not exceeding one month."

[14.](#) (C) FCS Tel Aviv informed Motorola that the company must seek guidance from OFAC before Embassy Tel Aviv can provide USG advocacy. Concurrently, FCS Tel Aviv informed the Treasury Department about Motorola's request.

[15.](#) (C) Comment: While we want to be supportive of commercial opportunities for U.S. companies, we do not favor a transaction that could put significant resources into the Treasury of the Hamas-led PA government. We urge Washington

polymakers to review a specific OFAC license request from Motorola before a decision is made on USG advocacy. End comment.

16. (U) This cable was cleared by FCS Tel Aviv.
WALLES